



Ministry of  
**JUSTICE**

# Contingency Response Programme

FAC-1 Contract

Schedule 4 – Works Package Procedure

## SCHEDULE 4

### WORKS PACKAGE PROCEDURE

An *Alliance Member* may be requested in writing by the *Alliance Manager* to take part in a *Works Package Procedure* in respect of the *Works Package*.

In accordance with the *Contract Terms*, the *Client* may (but is not obliged to) issue an *Order* to an *Alliance Member* requesting that it undertake in connection with the *Works Package*:

- Early Works; and/or
- Pre-Contract Activities (i.e. pre-construction services in connection with a specific *Works Package*); and/or
- Stage 2 Services.

Any such *Order* may precede or run parallel with the *Works Package Procedure* for the relevant *Works Package*.

When the *Client* wishes to commence a *Works Package Procedure* in connection with such a *Works Package*, the *Alliance Manager* will issue the following documents to the *Alliance Member* (as part of a "**Works Package Brief**"):

- The draft *Main Works Terms* that will be annexed to the *Notice to Proceed to Stage 2* in respect of the relevant *Works Package* following the conclusion of the *Works Package Procedure*. The *Notice to Proceed to Stage 2* will be based on the form of the NEC4 Engineering and Construction Contract: Option A (June 2017 edition, as amended in January 2019 and October 2020) as amended in connection with the Project.
- The "Project Brief" that will be referred to in such "Notice to Proceed to Stage 2" (and which will set out the *Client's* specification and other requirements in connection with the design and construction of the relevant *Works Package*).
- Any ancillary information that the *Client* intends to include and/or refer to in such Notice to Proceed to Stage 2.
- A submission pack (Including compliance / submission requirements).

The *Alliance Member* will be required to review and respond to the *Works Package Brief* within the time period specified by and in accordance with any requirements specified by the *Alliance Manager* when issuing the *Works Package Brief* to that *Alliance Member* (with this document being a "**Works Response**"). The *Alliance Member* will be required to populate the details specified in the draft Contract Data with its responses to the same as part of the *Works Package Procedure*.

The *Works Response* submitted by an *Alliance Member* in respect of the *Works Package Brief* must include the following information (in addition to any specific requirements that are specified by the *Alliance Manager* when issuing the *Works Package Brief* to the *Alliance Member*):

- Any comments on the *Main Works Terms* that are applicable to the relevant *Works Package* (and that do not seek to materially amend the same).

- Confirmation that it accepts the "Main Works Terms" documents forming part of the Works Package Brief (including all documents referred to and forming part of the same) as drafted (subject to the resolution of any clarification requests that are raised during the period referred to in the Alliance Manager's instructions when issuing the Works Package Brief).
- Any details specified as "to be completed" in the Contract Data.
- The Alliance Member's *Works Package Proposals* in response to the *Works Package Brief*, including as far as possible the Alliance Member's logistics plan, detailing off site manufacturing production plans and methodology.
- The Alliance Member's proposed *Agreed Maximum Price* for the *Works Package*.
- Detailed programme for the delivery of the Works Package (including any reference to any on-going or completed *Pre-Construction Activities* and/or any *Pre-Construction Services*).
- Staff breakdown including organograms and CVs.
- Health and safety methodology.

Full breakdowns of all packages including full visibility of all package price build ups, including analysis and supportive quotations, will be required as part of the pre-conditions to commencement of the *works* at the *Site* in relation to the Works Package pursuant to the Main Works Terms under the Notice to Proceed to Stage 2.

Full details of the requirements for the Works Response (including the timescale within which the relevant *Alliance Member* will be required to submit its Works Response, any submission and response time periods in respect of clarification questions and, as may be required by the *Client*, meetings with the Alliance Member to discuss the content of its Works Response (for clarification and not assessment purposes only) will be detailed in the *Alliance Manager's* instructions as accompanied by the Works Package Brief.

The following information is an outline of the requirements of the pricing-related elements of the Works Response as referred to above (and which, in the context of the relevant *Works Package*, will comprise and inform the Agreed Maximum Price submitted by that *Alliance Member* in accordance with the *Main Works Terms*):

<b><i>Works Package Procedure - Pricing Methodology</i></b>	
Cost element	Pricing requirement from the <i>Alliance Member</i> for their <i>Works Package</i>
<i>Works Package</i> specific details	
Preliminaries - People - management and staff	Determined by reference to the relevant fixed people rates and fixed fee percentages set out in each <i>Alliance Member's FAC-1 Prices</i> .

Preliminaries – plant, accommodation etc	<i>Alliance Member</i> to provide full details of its proposals in respect of this element of the design and construction of the <i>Works Package</i> on an <i>Open Book</i> basis, using the costs sought by the <i>Alliance Member</i> as part of the <i>Validation Activities</i> carried out under the FAC-1 Contract and also by reference to the relevant fixed fee percentages set out in each <i>Alliance Member's FAC-1 Prices</i> .
<i>Alliance Member's</i> design fees	<i>Alliance Member</i> to provide full details of its proposals in respect of this element of the design and construction of the <i>Works Package</i> on an <i>Open Book</i> basis, using the costs sought by the <i>Alliance Member</i> as part of the <i>Validation Activities</i> carried out under the FAC-1 Contract and also by reference to the relevant fixed people rates and fixed fee percentages set out in each <i>Alliance Member's FAC-1 Prices</i> .
Work packages (nett trade value)	<i>Alliance Member</i> to provide full details of its proposals in respect of this element of the design and construction of the <i>Works Package</i> on an <i>Open Book</i> basis, using the costs sought by the <i>Alliance Member</i> as part of the <i>Validation Activities</i> carried out under the FAC-1 Contract also by reference to the relevant fixed people rates and fixed fee percentages set out in each <i>Alliance Member's FAC-1 Prices</i> to be finalised in accordance with the <i>Main Works Terms</i> as a pre-condition for commencement of the <i>works</i> at the <i>Site</i> in respect of the relevant <i>Works Package</i> under the <i>Notice to Proceed to Stage 2</i> .
Insurances	The <i>Alliance Member</i> is required to price for taking out and maintaining the insurances that are referred to in the "Main Works" documents forming part of the <i>Works Package Brief</i> , using its proposals and costs in respect of the same in the <i>FAC-1 Prices</i> as a benchmark in the event that the requirements in such document materially change from what is set out in the template "Main Works" documents set out in the <i>FAC-1 Contract</i> as at the <i>FAC-1 Contract Commencement Date</i> .
Performance Bond	The <i>Alliance Member</i> is to provide a <i>Performance Bond</i> in the form annexed to the <i>FAC-1 Contract</i> .
<i>Alliance Member</i> / contractor risk	The <i>Alliance Member</i> is to provide a fully populated risk register required by the <i>Main Works Terms</i> and as

	set out in the <i>Works Package Brief</i> .
Fee percentage	Determined by reference to the relevant prices and fee percentages set out in the <i>Alliance Member's FAC-1 Prices</i> .
Design derogations applicable to the specific <i>Works Package Site</i>	<i>Alliance Member</i> to provide full details of its proposals in respect of this element of the design and construction of the <i>Works Package</i> on an <i>Open Book</i> basis, using the costs sought by the <i>Alliance Member</i> as part of the <i>Validation Activities</i> carried out under the FAC-1 Contract and also by reference to the relevant fixed people rates and fixed fee percentages set out in each <i>Alliance Member's FAC-1 Prices</i> to be finalised in accordance with the <i>Main Works Terms</i> as a pre-condition for commencement of the <i>works</i> at the <i>Site</i> in respect of the relevant <i>Works Package</i> under the <i>Notice to Proceed to Stage 2</i> .
<i>Works Package Site</i> specific design	<i>Alliance Member</i> to provide full details of its proposals in respect of this element of the design and construction of the <i>Works Package</i> on an <i>Open Book</i> basis, using the costs determined by the <i>Alliance Member</i> as part of the <i>Validation Activities</i> carried out under the FAC-1 Contract and also by reference to the relevant fixed people rates and fixed fee percentages set out in each <i>Alliance Member's FAC-1 Prices</i> to be finalised in accordance with the <i>Main Works Terms</i> as a pre-condition for commencement of the <i>works</i> at the <i>Site</i> in respect of the relevant <i>Works Package</i> under the <i>Notice to Proceed to Stage 2</i> .
Inflation (NB this supersedes the indexation clause in the <i>CCS Framework Agreement</i> ):	<p>Any adjustment to the management and staff rates included in the <i>Alliance Member's FAC-1 Prices</i> and/or <i>FAC-1 Proposals</i> (as applicable) to account for a change in the AWE (Average Weekly Earnings), Private Sector Total Weekly Earnings (KAC4) index as permitted.</p> <p>No further increases to the same may be submitted.</p>
Inflation (note)	The Client recognises the current volatility of pricing across building materials and how this impacts on those participating within this Tender. Prior to commencement of the <i>works</i> at the <i>Site</i> in respect of the <i>Works Package</i> , the Client will work with the <i>Alliance Member</i> to continually review and ascertain the market prices for the undernoted items only based upon the prevailing market conditions at the time in the context of each <i>Works</i>

	<p>Package. It will be determined on a case-by-case basis as to whether the prevailing market prices at the time justify the inclusion of an index/indices based price adjustment mechanism in respect of such items in relation to the period following issue of the Notice to Proceed to Stage 2 in respect of a particular Works Package.</p> <p>Undernoted items refer to: gypsum, concrete, steel, timber, brick. Specific elements of each item will be agreed at the commencement of each stage</p>
--	--

Following receipt and assessment of the *Alliance Member's* Works Proposal, the *Client* and the *Alliance Manager* will evaluate the same in accordance with the instructions that were issued to the *Alliance Member* with the Works Package Brief and, subject to the *Client's* internal approval process and the pricing elements of its Works Response being within the *Client's* approved budget for the Works Package, will be issued with a *Notice to Proceed to Stage 2* in respect of the same. Following issue of the *Notice to Proceed to Stage 2* the *Client* and the *Alliance Member* will carry out the activities set out therein as required prior to commencement of the *works* at the *Site* for the relevant *Works Package*